REMARKS

Reconsideration and allowance in view of the foregoing amendments and the following remarks are respectfully requested. By this Amendment, claim 64 has been canceled and claims 1-3, 9-12, 17-19, 22, 44-47, 59, 61-63 have been amended. New claims 65-79 have been added. No new matter has been submitted as the claims are fully supported by the originally filed application. Applicants' representatives thank the Examiner for the courtesies extended to them during the Interview of March 25, 2004. The undersigned and Dr. Qian Huang represented Applicants at the Interview.

In Section 4 of the Final Office Action, dated January 2, 2004, the Examiner rejected claims 3, 11-12, 9, 19, and 47 under 35 U.S.C. §112, second paragraph, as containing indefinite for failing to particularly point out and distinctly claim the subject matter which the applicant regards as the invention. By this response, claims 3, 11-12, 9, 19, and 47 have been amended to clarify the scope of the claims. Accordingly, the Applicant respectfully submit that the amended claims 3, 11-12, 9, 19, and 47 are now patentable.

In Section 5 of the Final Office Action, the Examiner rejected claims 1-3, 9-12, 17-19, 22, 44-47, and 59-64 under 35 U.S.C. §102(e) as being anticipated by Candelore (U.S. Patent No. 6,057,872). The Applicant respectfully traverses the rejection.

The claimed invention discloses a system and method in which a reward is provided by a reward engine to one or more users associated with a content reception device, based on reception verification data transmitted from a content reception device to the reward engine via a data network, for presenting content, received over a data network in response to a request from the user, in a manner that satisfies a

predetermined condition associated with the reward, as recited in independent claims 1, 44, 59, 61, 62, and 63.

Candelore teaches an arrangement in which information related to a coupon, defining the terms of the coupon, is transmitted together with content and is redeemed when the content is ultimately selected or recovered by the receiving terminal for reviewing. According to Candelore, only a terminal residing at a receiver site can redeem a coupon. In addition, a coupon can be redeemed only when the content with which the coupon is received together is selected for viewing. If a terminal does not recover the content (with which coupon information is transmitted), the coupon can not be redeemed. Furthermore, the redeemed coupon can only be used at the same terminal in subsequent orderings of other content offered by the same channel.

Candelore does not disclose a separate reward engine that receives reception verification data over a data network and provides a reward according to the reception verification data, as claimed in independent claims 1, 44, 59, 61, 62, and 63. Candelore does not teach a reward engine that can reside at a location other than a content reception device (or terminal). In addition, Candelore does not teach a terminal (content reception device) that, to receive a reward, has to transmit reception verification data over a data network to a separate reward engine after it presents the content, as claimed in independent claims 1, 44, 59, 61, 62, and 63. According to Candelore, a terminal residing at a receiving site is the one that redeems a coupon and does not need to transmit viewing related information to outside in order to provide a reward (redeem coupons).

A coupon, according to Candelore, is always associated with a particular channel and can only be used (after redemption) for ordering more content from the

same channel for the purposes of promoting the channel that initially gives out the coupons. A reward, according to the claimed invention, however, can be provided in a form for purposes that is unrelated to promoting a channel. For example, a reward can be a monetary reward or the right to enter into sweepstakes, as claimed in claim 22. This allows a party (e.g., an advertiser) other than the content provider to promote a user's interest in its content (e.g., a product advertised in an advertisement rather than the channel that delivers that advertisement). This is not possible under Candelore due to the fact that the Candelore's invention was motivated and aimed at promoting content channels by allowing viewers to redeem coupons only when they order more content from the same channel.

According to MPEP §2131, to anticipate a claim, the reference must teach every element of the claim. "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior reference." *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). As stated above, Candelore does not teach a separate reward engine that receives reception verification data over a data network and provides a reward to a user according to the reception verification data, as claimed in independent claims 1, 44, 59, 61, 62, and 63. Therefore, Candelore does not anticipate the claimed invention.

Therefore, the Applicant respectfully requests that the rejection of independent claims 1, 44, 59, 61, 62, and 63 under 35 U.S.C. §102(e) be withdrawn.

Claims 2-3, 9-12, 17-19, and 22 depend from claim 1. Consequently, claims 2-3, 9-12, 17-19, and 22 are patentable at least for the reasons stated above with respect to claim 1 and for the additional features recited therein. Therefore, the

Applicant respectfully requests that the rejection of claims 2-3, 9-12, 17-19, and 22 under 35 U.S.C. §102(e) be withdrawn.

Claims 45-47 depend from claim 44. Consequently, claims 45-47 are patentable at least for the reasons stated above with respect to claim 44 and for the additional features recited therein. Therefore, the Applicant respectfully requests that the rejection of claims 45-47 under 35 U.S.C. §102(e) be withdrawn. Accordingly, the Applicants respectfully submit that the amended claims 1-3, 9-12, 17-19, 22, 44-47, and 59-64 are now patentable.

Claims 65-79 have been added. Claims 65 and 66 recite additional features related to advertisement. In addition, several independent claims have also been added. Claim 67 recites a method of receiving a reward for presenting a content. Claim 68 recites a method for a reward engine. Claim 69, as well as claim 70, claim a method for a content provider. Claims 71-79 recite additional features related to content delivery (claims 71 and 72), reward provider and recipient (claims 73-75), predetermine condition for receiving a reward (claims 76-79). All these claimed features are fully supported.

All objections and rejections having been addressed, it is respectfully submitted that the present application is in condition for allowance and a notice to that effect is earnestly solicited.

Respectfully submitted,

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